

Senator Birdwell's 'Capitol Update' 3-26-15

Greetings from <u>your</u> Texas Capitol! It's hard to believe, but Monday (3/23) marked the halfway point in the 84th legislative session. Committees are meeting weekly—sometimes multiple times per week—and bills are being heard and voted on daily on the Senate floor. In no time, the Senate will begin receiving bills passed in the House, and vice versa. I'll highlight the movement of a few key bills below, plus a handful of other items that I think you'll find interesting and pertinent. As always, I encourage you to follow me on Facebook and Twitter for regular updates on what's happening in your state government.

Texas Senate Passes \$4.6 billion Tax Relief Package

Yesterday after the Senate adjourned, I released the following statement on the passage of Senate Joint Resolution 1 and Senate Bills 1, 7 and 8:

"I am extremely proud of the Texas Senate for passing several major tax relief bills today. In particular, I applaud all of my colleagues who worked on these fine bills, and specifically, Senator Jane Nelson and Senator Charles Schwertner for their work on reducing property taxes and shrinking the franchise tax. I was pleased to be a joint-author of all four of the measures that passed today. Through these actions, the Senate has created tangible, lasting tax relief for all Texans, and in particular, homeowners and businesses of all sizes. Sound policies have put in place a framework for growth, prosperity and stability in our state, and these bills keep Texas on that track."

More information about these bills:

- 1. SB 1/SJR 1 Proposes to more than double the homestead exemption, saving the average homeowner \$442 over the next two years. It will bring the first change and increase to the homestead exemption in nearly 20 years, and allow the exemption to automatically increase as home values rise. Collectively, Texas homeowners will save \$2.154 billion over the next two years. SJR 1 will provide voters with the opportunity to place in the Texas Constitution a permanent ban on taxing real estate transactions, ensuring homeownership always remains attainable for Texans.
- 2. SB 7 Permanently reduces the franchise tax rate by 15 percent, saving businesses \$1.43 billion over the next two years. SB 7 also reduces burdensome compliance costs for Texas' small businesses by expanding eligibility for "EZ" franchise tax reporting. By doubling the amount of revenue allowed on "EZ" reports (from \$10 million to \$20 million) and reducing the "EZ" rate by 42 percent, Texas small businesses will save \$283 million over the next two years. SB 7 includes the Texas Franchise Repeal Act (as amended), putting Texas on a path to abolish the state franchise tax which was implemented in 2006. It instructs the Comptroller of Public Accounts to complete a 2-year study and report to the legislature how best to abolish the franchise tax and replace those revenues from existing sources.
- 3. SB 8 Supports Texas' small businesses by exempting from the franchise tax all businesses with less than \$4 million in revenue, completely eliminating franchise tax liability for more than half of all businesses currently paying the franchise tax. By quadrupling the current small business exemption (from \$1 million to \$4 million), SB 8 will exempt more than 61,000 small businesses from paying the franchise tax and save Texas' small businesses \$760 million over the next two years.

Updates on Other Legislation

- Senate Bill 11 (Campus Personal Protection Act) My bill expanding the rights of our law-abiding CHL-holders on campuses of higher education passed the Senate last week and is on the way to the House. I'm excited to see this legislation moving one step closer to Governor Abbott's desk.
- Senate Bill 671 (Lance McLean Memorial Highway) In memory of the life and service of Hood County Sheriff's Deputy Sergeant Lance McLean, I have joined with Representative Jim Keffer to rename a portion of Loop 567 in Granbury after the late sergeant. The bill passed committee this week and is moving along smoothly. My thanks to the Hood County Commissioners Court for their support in this important effort.
- Senate Bill 523 (River Authority Sunset) After a productive hearing in the Senate Committee on Agriculture, Water and Rural Affairs, my bill to create a recurring legislative review of all Texas river

authorities is in the works to be slightly altered into an even better bill. This is an absolutely essential function of oversight for the entities charged with managing our precious water resources.

Senate Bill 147 - Conditions of Bond Legislation

On Wednesday the Senate passed SB 147, a bill I co-authored with my colleague from El Paso, Senator José Rodriguez. Currently, two separate provisions of the Texas Penal Code are used to prosecute violations of protective orders—Section 25.07, which covers family violence protective orders, and Section 38.112, which covers sexual assault, stalking, and human trafficking protective orders. Unfortunately, these two sections of code carry different penalties for varying violations. This legislation tightens and synchronizes the Penal Code, strengthening protections for victims of sexual assault, stalking, and human trafficking and provides more enforcement tools to prosecutors. SB 147 is a great example of what may appear to be a small change in statute, but in application, will end up serving as a strong protection for violated Texans and a great tool to crack down on lawbreakers.



Congratulations to the Ennis Lions!

Sidwell

State Representative John Wray and I had the special opportunity to welcome some of the members of the Ennis High School football team to the Texas Capitol this week, where we recognized them for their 2014 Class 5A, Division II state championship win. A portion of the team is pictured above, with Head Coach Jack Alvarez standing in the center. John and I were proud to be with such a talented group of representatives for Ellis County. Good luck in 2015, Lions!

That's all for this edition of the Capitol Update. I welcome you to share this newsletter with your friends, family and colleagues in Senate District 22. Additionally, they can subscribe to the Update here: http://www.senate.state.tx.us/75r/Senate/members/dist22/Signup.htm.

As always, I hope you will take advantage of the opportunity to keep up with the happenings at <u>your</u> Texas Capitol. Please visit my official website at <u>www.senate.state.tx.us</u>, follow us on <u>Facebook/Twitter</u>, and for all other needs, please visit the Texas Legislature Online at <u>www.capitol.state.tx.us</u>.

Finally, with Easter just around the corner, Mel and I want to wish each of you a safe, happy holiday with family and friends. God bless you and God bless Texas!

Sincerely,

Brian Birdwell

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